

Tingey, Christopher

From: Dorsey, Nancy
Sent: Wednesday, August 09, 2017 1:12 PM
To: Dellinger, Philip; Bierschenk, Arnold; Tingey, Christopher; Hurlbut, Bill
Cc: Overbay, Michael
Subject: FW: Hallco-Chaparral well blow-outs; Kay Co
Attachments: FW Attached are Pertinent documents pertaining to the Hallco-Chaparral issue. TKS George.

Importance: High

From: Jim Marlatt [mailto:J.Marlatt@occemail.com]
Sent: Wednesday, August 09, 2017 1:09 PM
To: Dorsey, Nancy <Dorsey.Nancy@epa.gov>
Subject: FW: Hallco-Chaparral well blow-outs; Kay Co
Importance: High

Email below and attached

Thank you, and have a great day.

Jim Marlatt

Manager, Field Operations
Oklahoma Corporation Commission



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From: Terry Grooms
Sent: Tuesday, August 08, 2017 9:19 AM
To: Tim Baker; Jim Marlatt
Cc: Matt Skinner; Patricia Downey
Subject: FW: Hallco-Chaparral well blow-outs; Kay Co
Importance: High

Please read.

From: George Schwarz
Sent: Tuesday, August 08, 2017 8:44 AM
To: Terry Grooms
Cc: Jim Waite
Subject: Hallco-Chaparral well blow-outs; Kay Co

Terry: Please forward to appropriate; Please copy Brandon Sims; let me know what you think. George
8/8/2017: Gentlemen : It appears like another serious situation is developing in Kay and Osage County concerning Chaparral Energy LLC's CO2 flood project. From what I have been able to learn there have been sever 'gusher like' brake-outs in Osage county just East of the county line between Osage and Kay. Being in Osage Co., I have not received any direct notification or communication from Chaparral. At 3:48 P.M. yesterday I was notified by personnel from Hallco Petroleum Inc. that they had a brake out situation concerning their Conklin # 3 Arbuckle disposal well in section 9-27N-05E Kay Co. Field investigation indicated that the well had been hit with a sudden Arbuckle formation pressure spike (the Hallco lease is circled in red on the map below and the Conklin # 3 is indicated; All the other acreage on the map is operated by Chaparral and the area circled in blue is the general area of the surface break outs). The Conklin SWD operates on vacuum and there is not an injection pump on the facility. The pressure kick blew off all the tubing connections at the well head (the shut in valve; the flow meter; and the check valve) along with rupturing the 3 inch polly injection line. The pressure got back up into the battery and parted plumbing and burst sight glass on the knock-outs. The Conklin was gushing from the TBN when the Hallco pumper made her rounds.

The pollution issue is minimal on the Hallco lease; most of the fluids were contained within earthen dikes; the lease is shut in; The H2S situation is not critical; as the flow slowed down Hallco was able to get a valve on the TBN and the well was shut in under pressure; the pressure slowly bled off (before we could get a gauge on the TBN). There is 0 pressure on the backside of the TBN and there is no purge around the well on the outside of the surface casing. I notified field personnel from Chaparral; 2 people came to the Conklin Location. I am certain that a Hallco principal will make contact with Field and Gas leadership this morning. George Schwarz, Kay Co.

